



Health Care
Innovation Initiative

Tennessee Health Link model review

May 26, 2016

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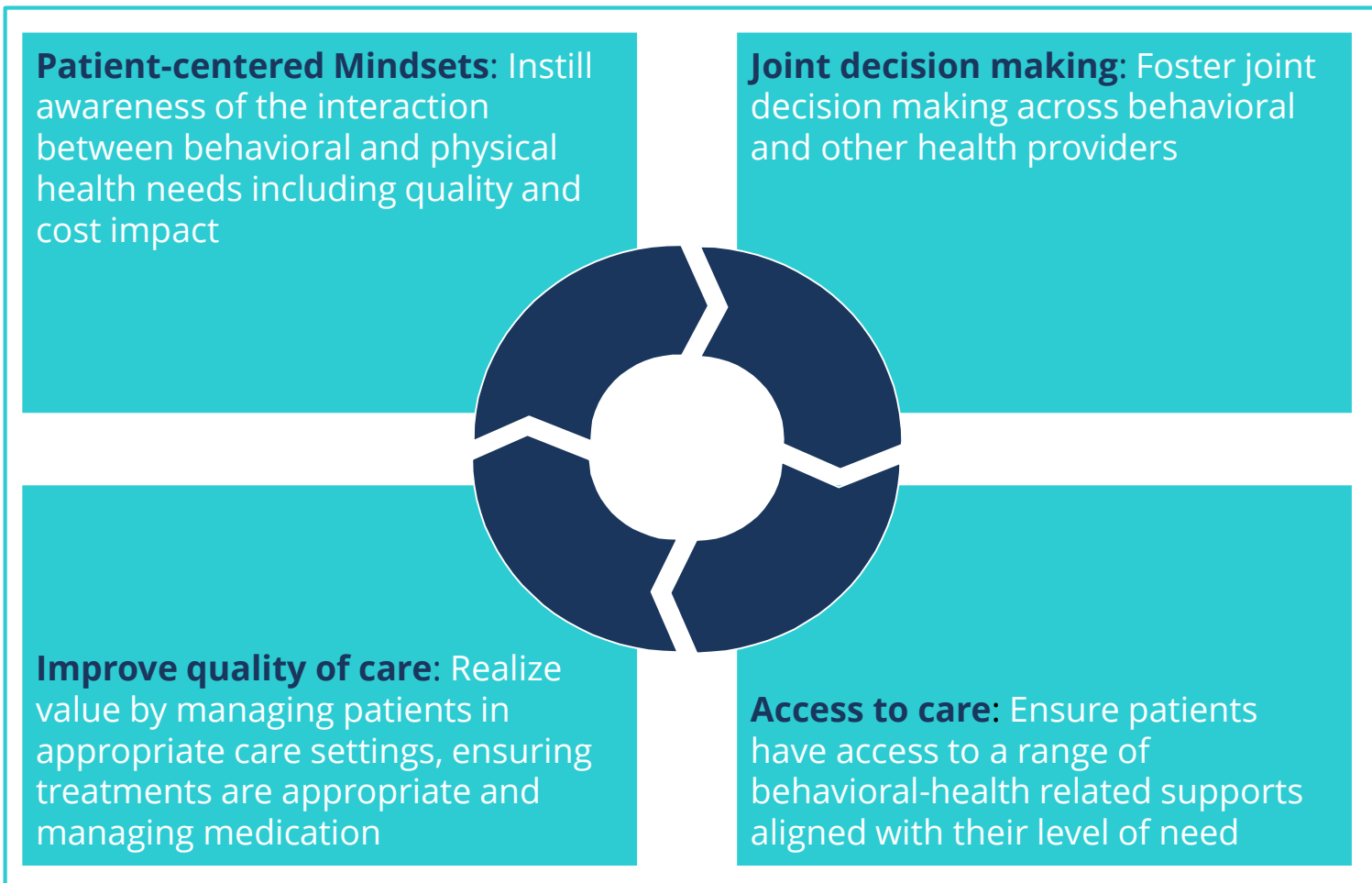
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Transforming care coordination in Tennessee: The Health Link program



Health Links will build on and incorporate the Level 2 case management program in order to improve the quality of care that patients receive, to improve the efficiency of this care, and to enhance the overall patient experience. The program is centered around four key principles:

Overview of Tennessee Health Care Innovation Initiative

- Delivery system transformation is essential since the current health care delivery system as a whole is **simply not sustainable**.
- Right now the system is mostly “**fee-for-service**” meaning a service is provided and the provider submits a claim for reimbursement. Therefore **more services means more payment**.
- The initiative’s goal is **to pay for outcomes and for quality care**, rather than for the amount of services provided – **value-based care** instead of volume-based.
- The state is working **collaboratively** with hospitals, medical providers, and payers to work towards meaningful payment reform.
- By working together, we can make significant progress toward **sustainable medical trends and improving care**.






“I believe Tennessee can also be a model for what true health care reform looks like.”

“It’s my hope that we can provide quality health care for more Tennesseans while transforming the relationship among health care users, providers and payers. If Tennessee can do that, we all win.”

– Governor Haslam’s address to a joint session of the state Legislature, March 2013

Tennessee's Three Strategies

	Source of value	Strategy elements	Examples
 <p>Primary Care Transformation</p>	<ul style="list-style-type: none"> • Maintaining a person's health overtime • Coordinating care by specialists • Avoiding episode events when appropriate 	<ul style="list-style-type: none"> • Patient Centered Medical Homes • Tennessee Health Link for people with significant behavioral health needs • Care coordination tool with gap in care alerts and hospital admission provider notifications 	<ul style="list-style-type: none"> • Encouraging primary prevention for healthy consumers and coordinated care for the chronically ill • Coordinating primary and behavioral health for people with significant behavioral health needs
 <p>Episodes of Care</p>	<ul style="list-style-type: none"> • Achieving a specific patient objective, including associated upstream and downstream cost and quality 	<ul style="list-style-type: none"> • Retrospective Episodes of Care 	<ul style="list-style-type: none"> • Wave 1: Perinatal, joint replacement, asthma exacerbation • Wave 2: COPD, colonoscopy, cholecystectomy, PCI • 75 episodes by 2019
 <p>Long Term Services and Supports</p>	<ul style="list-style-type: none"> • Provide Long-Term Services and Supports (LTSS) that are high quality in the areas that matter most to recipients 	<ul style="list-style-type: none"> • Quality and acuity adjusted payments for LTSS services • Value-based purchasing for enhanced respiratory care • Workforce development 	<ul style="list-style-type: none"> • Aligning payment with value and quality for nursing facilities (NFs) and home and community based care (HCBS) • Training for providers

The Health Link program was designed around input from the Technical Advisory Group (TAG) on multiple topics

TAG recommendations consisted of:

- Member identification criteria
- Quality measures (physical and behavioral)
- Health Link monthly activity requirements
- Practice eligibility for Health Link
- Workforce and personnel qualifications
- Staffing roles and ratios
- PCP collaboration
- Training curriculum and support
- Patient engagement
- Provider reporting

TAGs met regularly from
August 2015 – Mar 2016

Overview of support available to providers

	Unchanged mechanism
	Redesigned mechanism
	New mechanism

		Objective	Support	Categories of support
Existing payments	Fee for service payment	<ul style="list-style-type: none"> No change to existing reimbursement process 	<ul style="list-style-type: none"> Payments tied to discrete care services rendered 	<p>The following services remain paid through Fee for Service:</p> <ul style="list-style-type: none"> Evaluation & management services Medication management Therapy services Psychiatric & psychosocial rehabilitation services Level 1 case management
	Clinical activities payment	<ul style="list-style-type: none"> Compensate for clinical activities performed by Health Link providers 	<ul style="list-style-type: none"> Monthly activity payment 	<ul style="list-style-type: none"> The 6 billable service areas consist of: <ul style="list-style-type: none"> Comprehensive care management Care coordination Referral to social supports Patient and family support Transitional care Health promotion
Health Link payments	Outcome-based payment	<ul style="list-style-type: none"> Encourage improvements in quality and efficiency outcome 	<ul style="list-style-type: none"> Incentive payment based on outcome measures 	<ul style="list-style-type: none"> Performance measured against a mix of quality and efficiency metrics to determine the magnitude of outcome based payment
	Practice transformation support	<ul style="list-style-type: none"> Support initial investment in provider changes including infrastructure and personnel 	<ul style="list-style-type: none"> Support delivered by a TennCare contracted vendor 	<ul style="list-style-type: none"> Includes in-person coaching, webinars, and learning collaboratives

Key differences between current Level 2 Case Management and new Tennessee Health Link reimbursement model

Broader set of activities¹

These activities may be delivered to...

- The member
- Another provider, family member or someone else who is actively involved in the member's life.

... and be delivered

- In person
- or through an indirect contact

Members with at least 1 activity are eligible for a monthly payment

Expanded population

Maintain access for Level 2 case management patients

- Members actively receiving Level 2 case management will be automatically enrolled to a Health Link

Include patients missed by the current system

- Members meeting the new Health Link criteria, which includes combination of severe BH conditions and utilization of acute services

Emphasis on recovery

Health Links should:

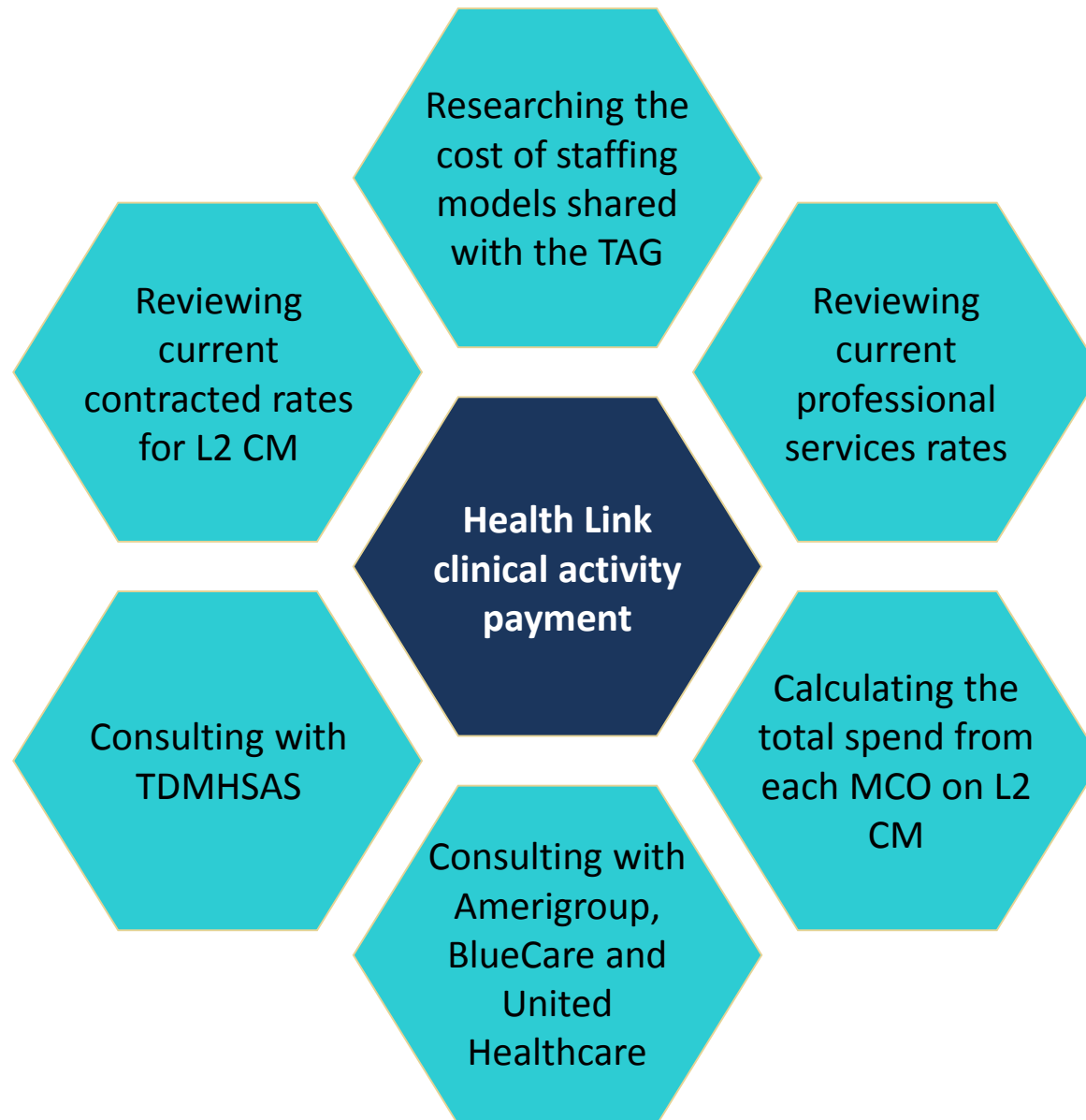
- Support increased self-sufficiency over time
- Help their patients towards recovery, which means that, on average, Health Link patients will require less support over time

Some members will be able to exit the Health Link as they meet their treatment goals

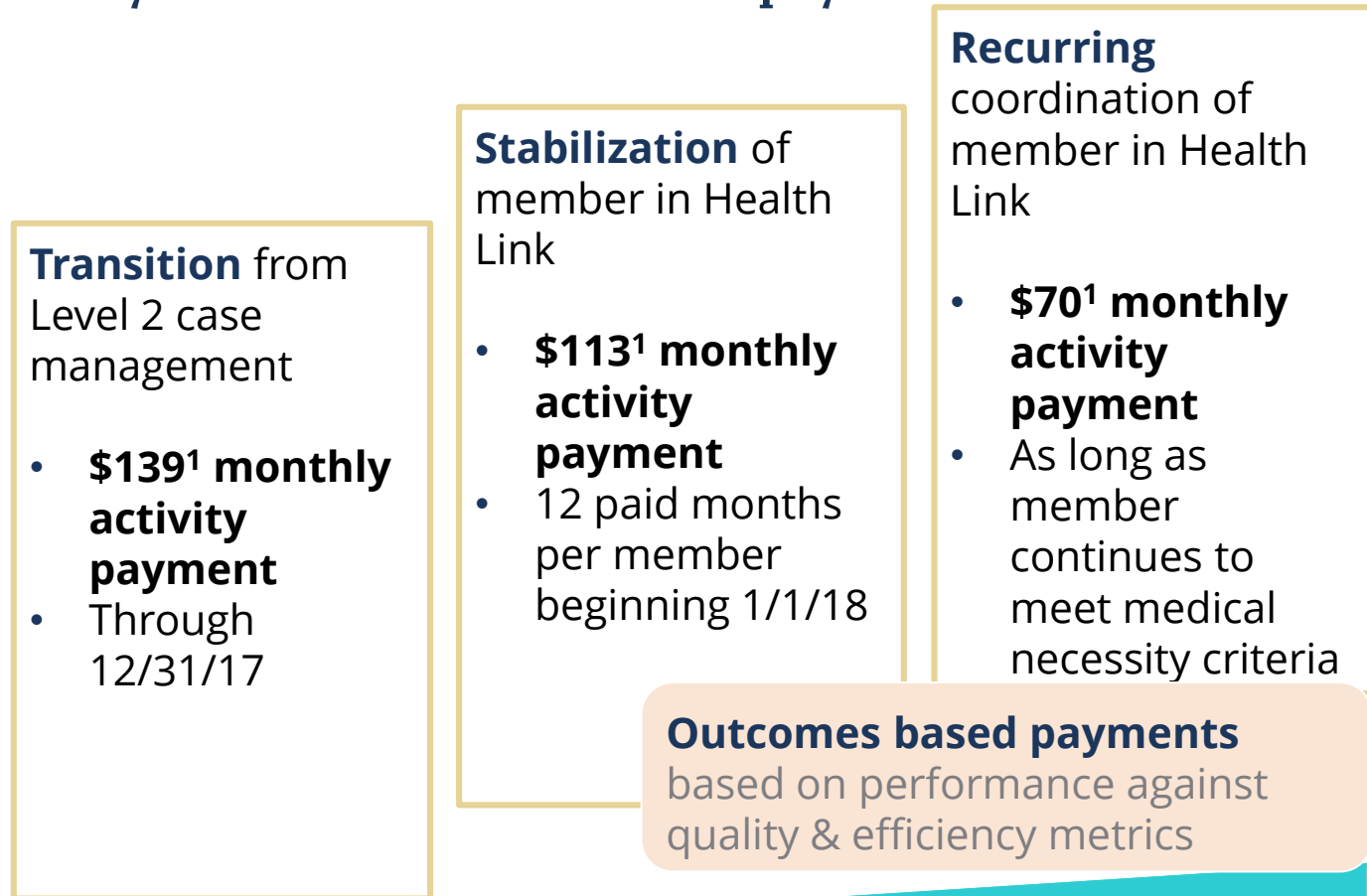
What does this mean for you?

The **flexibility to provide the right support** at the right time to the right person

TennCare has developed the payment for the Tennessee Health Link activities after extensive research and discussion



Summary of new clinical activities payment amounts for Health Links



Fee for Service Payments for Treatment

¹ Rate is for Health Link activities only. It does not include other items that are currently billed fee for service

² Estimate includes dual eligible members and is for an entire year

Approach for new clinical activities payment amount for Health Links

Every Health Link will receive a standard payment amount per member per month for completing one or more of the monthly Health Link activities for that member

Transition rate

\$139¹ monthly activity payment to cover all Health Link activities

- Enhanced rate provides **support to practices as they transition** from Level 2 Case Management and introduce new Health Link activities
- Health Link **membership is expected to increase over the year** as new members are engaged
- Will be paid for activity claims during **the first 15 months of the TN Health Link program: 10/1/16 - 12/31/17**
- The transition rate **expires on 12/31/17 for all members**, no matter when they enrolled in a Health Link

Approach for new clinical activities payment amount for Health Links

Every Health Link will receive a standard payment amount per member per month for completing one or more of the monthly Health Link activities for that member

Stabilization rate

\$113¹ monthly activity payment to cover all Health Link activities




- Higher stabilization rate covers **additional effort required to enroll new members** in the program, develop initial care plan and begin member support and education
- Stabilization rate will be paid for the **first 12 months of Health Link billed activities** beginning on 1/1/18
- Each member is eligible for 12 months of stabilization payments, **regardless of when they enroll** in the program

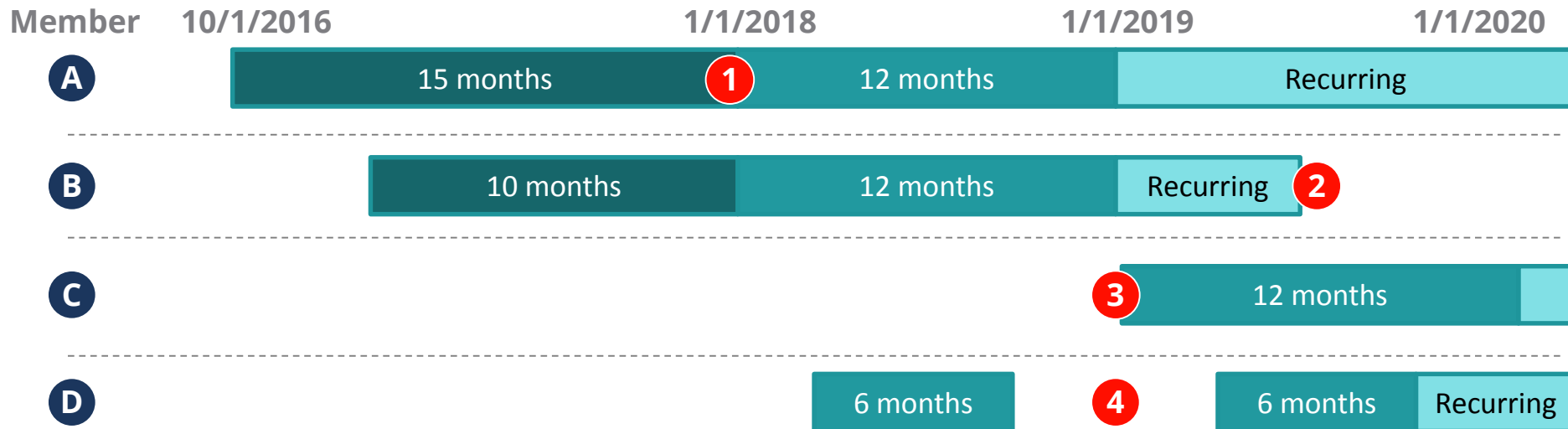
Recurring rate

\$70¹ monthly activity payment to cover all Health Link activities

- If the member continues to meet medical necessity criteria for enrollment in the Health Link, the provider is paid the **recurring rate after the 12 stabilization payments have been exhausted**
- Rate is meant to **represent average level of need** across Health Link panel
- Flexible requirements allow for provider to **increase or decrease intensity based on individual members' needs**

Payment examples for Health Link members

	Transition rate: \$139
	Stabilization rate: \$113
	Recurring rate: \$70



- 1 Transition rate ends on 12/31/17 regardless of member enrollment date
- 2 The recurring rate eligibility continues until the Health Link is no longer medically necessary
- 3 The 12 stabilization months are available to a member regardless of when they join the program
- 4 The 12 stabilization months can occur at any point and do not need to be continuous

Measuring performance for outcome-based payments

Performance will be measured in three categories

1. Physical health

- 5 core metrics (e.g., Asthma medication management)
- Extensive overlap with PCMH

2. Behavioral health

- 5 core metrics (e.g., Antidepressant medication management)

3. Efficiency

- 5 core metrics (e.g., ED visits per 1,000 members)
- Mix of physical and behavioral health

Performance will be communicated through quarterly reports

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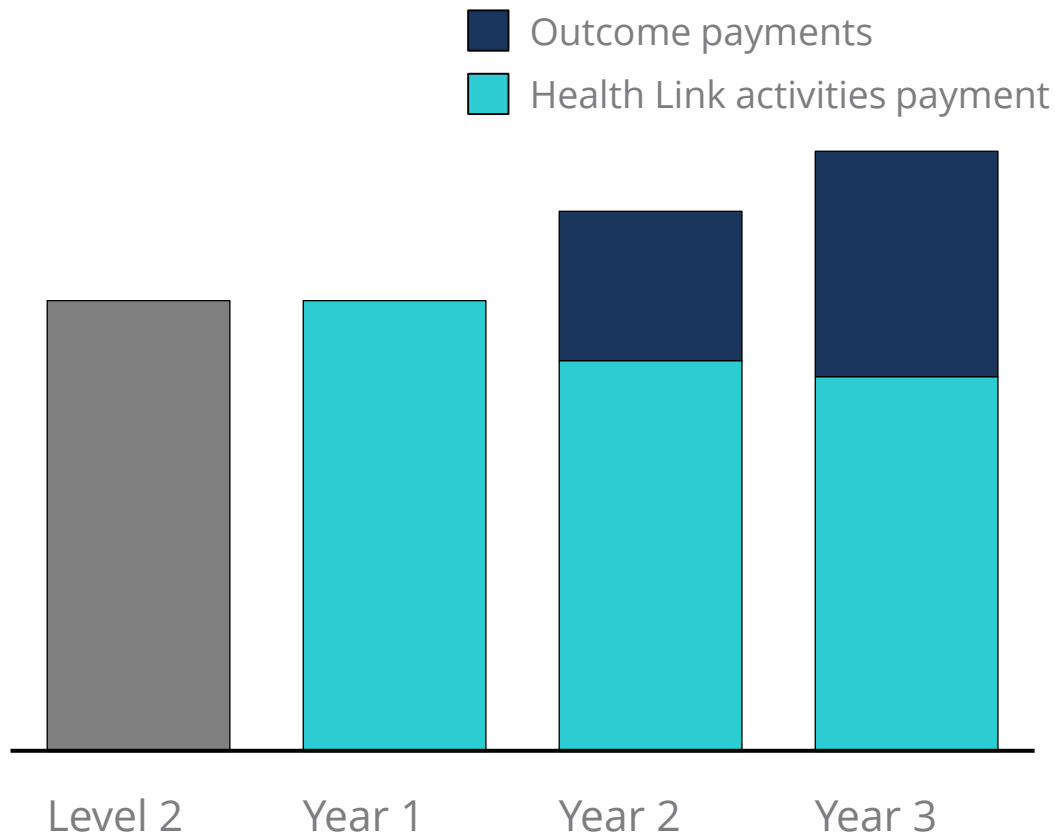
1. **Star ratings** will be used to score metric performance for both quality and efficiency
2. **Improvement** will be measured year over year on efficiency metrics
3. **Outcome payment** will be a combination of **star ratings and improvement**

Outcome-based payments are expected to become a larger share of practice reimbursement over time

Potential payments over time to a single top performing provider

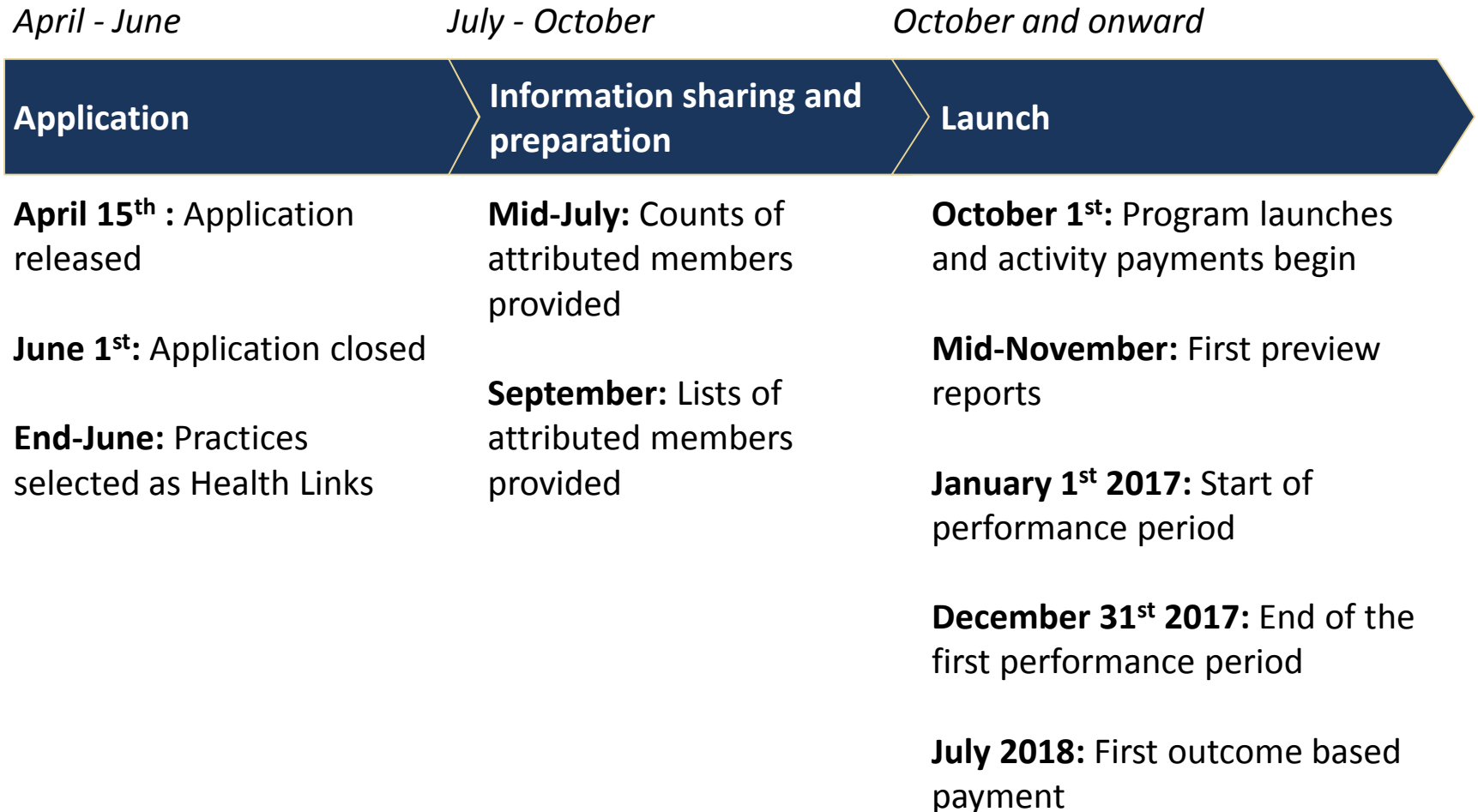
ILLUSTRATIVE

USD



Top performers could expect outcomes based payments to represent up to 25% of total Health Link payments

Next steps: Health Link provider application and selection timeline



Question & answer

Please submit your questions through the webinar interface –
we'll aim to address as many as time permits

For any additional questions please contact:

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